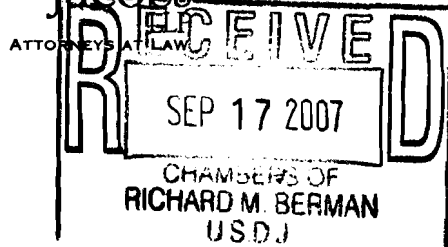


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<u>Adjourned to 11/16/07 @ 10:30 AM.</u>	
September 12, 2007	
SO ORDERED:	<u>Richard M. Berman</u>
Date: <u>9/17/07</u>	Richard M. Berman, U.S.D.J.

Hon. Richard M. Berman
United States District Court Judge
Southern District of New York
500 Pearl Street
New York, New York 10007

Re: Foundling Hospital v. Riverbay Corporation
Docket No. 07-2846 (Berman, J.) (Katz, M.J.)
Conference Date: October 1, 2007

Dear Judge Berman:

We represent the Defendant in this action. This letter is written with the consent of Robert L. Schonfeld, Esq., counsel for the Plaintiff.

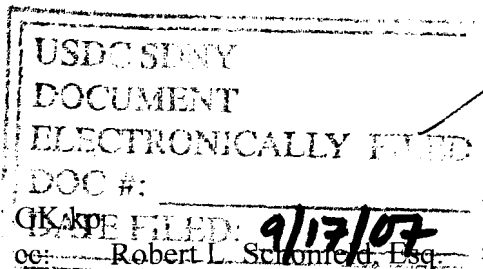
We have been making good progress toward settling the issues in this case and also amending the relationship between the Defendant and the New York State Office of Mental Retardation and Developmental Disabilities ("OMRDD"). We are making an effort to ensure that landlord/tenant disputes are handled in a manner so as not to involve the Federal Court. OMRDD is attempting to obtain the cooperation of the other not-for-profit agencies which have group homes at Co-op City and are not parties to this action.

Based on the above, Magistrate Judge Katz has adjourned our settlement conference from September 19, 2007 to October 31, 2007. Both parties request an adjournment of our conference with you scheduled for October 1, 2007, to a date in mid November. It is anticipated that we will then be in a better position to know whether this case can be settled.

Jeffrey D. Buss
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Of Counsel
James R. Anderson
Edgar C. Gentry, Jr.
Gerald Kahn



Cordially,

Gerald Kahn
Gerald Kahn